

## **Canada**

### *Background & Details*

1. Canada announced a 10% wage subsidy for eligible small businesses. Businesses can benefit from this support by reducing their remittances of income tax withheld on their employees' remuneration
2. The Canada Emergency Wage Subsidy was enacted on April 11, 2020 to help businesses retain employees during COVID-19. Eligible employers may receive a subsidy amount equal to 75% of employees' remuneration paid, up to a maximum of CAD \$847 per week per employee for a 12-week period. Eligible employers must have lost at least 15% of qualifying revenue in March 2020 and at least a drop of 30% in qualifying revenue for April or May 2020
3. Quebec grants certain employers a credit for their employer contributions to the provincial Health Services Fund (HSF) for employees on paid leave during COVID-19
4. Individuals, other than trusts, will have until June 1, 2020 to file their personal tax returns for the 2019 taxation year. Trusts with a taxation year ending on December 31, 2019 will have until May 1, 2020 to file their tax returns for the FY 2019. All taxpayers who have federal income tax balances and installments, under Part I of the Income Tax Act, that are owing on or after March 18, 2020 and before September 2020 can defer payments of any income tax until September 1, 2020, without being subject to interest or penalties. The federal corporate tax return deadline for the current taxation year for returns that are due after March 18, 2020 is extended to June 1, 2020. Filing deadline extensions have also been implemented for trusts, partnership, and nonresident tax information returns to May 1, 2020
5. Businesses may be able to make flexible arrangements with the Canada Revenue Agency (CRA) if the businesses face difficulties related to COVID-19 when they are trying to meet their payment obligations
6. The CRA has announced it will waive the 1% minimum employer contribution requirement for money purchase provisions of certain registered pension plans for the remainder of 2020. This relief will only apply to plans that are amended to suspend accruals under the plan for the year, meaning that there will be no employer or employee contributions made to the plan or provision following the plan amendment